Grain Transportation Report

A weekly publication of the
Transportation and Marketing Programs/Transportation Services Branch
www.ams.usda.gov/tmdtsb/grain

Contact Us

September 7, 2006

Contents

The next release is Sept. 14, '06

WEEKLY HIGHLIGHTS

The grain transportation sector is characterized this week by a surge in rail deliveries and grain export inspections in Pacific Northwest (PNW) ports, a rapidly rising ocean spread, an increase in barge shipments as barge rates hold steady, continued low water along the Ohio River, and delays caused by repairs at Locks and Dam 52 on the Ohio River.

At $13.87, the ocean rate spread is the highest since the first week of January. As of September 5, the Gulf-to-Japan rate was $49.23 per metric ton (mt), and the PNW-to-Japan rate was $35.36 per mt. The higher ocean rate spread may be pushing exports towards the PNW, where weekly **grain inspections** were up 19 percent and weekly **rail deliveries** were up 16 percent. While **barge rates** have leveled off, for the week ending September 2, 100 more barges moved down river than last week. **Barge shipments** were 635 thousand tons for the week ending September 2, with an average tonnage per barge 70 tons higher than last week.

Low water levels and delays persist on the Ohio River. On the Ohio River, a limiting draft depth of 9ft. is in effect along most sections of the river. Limiting draft (the depth of a vessel) can eventually lead to higher costs since less grain can be transported per trip. Repairs on the Ohio River auxiliary lock at Locks and Dam 52 (L&D 52) are creating major delays for grain transportation. As of the morning of September 7, delays were reported to be about 32 hours, with 58 vessels waiting.

Precipitation needed to improve water conditions is not expected in the near future and repairs at L&D 52 will continue until mid-November. Consequently, low water conditions and delays will potentially complicate grain movements during fall harvest. According to USDA's National Agricultural Statistics Service (NASS), as of September 5, no states reported corn or soybean harvest progress. Most states typically begin harvest towards the end of September, with October and November being the most active months.

Competition for rail services may also affect grain shippers as fall harvest gets underway. Constraints in transportation services will likely arise because the imports of containerized merchandise, shipments of new model-year automobiles, and grain traffic all peak in the fall and compete for limited rail capacity. **Secondary rail car market rates** remain elevated, suggesting that shippers anticipate tightening rail capacity.

Snapshot by Sector

Fuel
For the week ending September 4, **diesel fuel prices** fell $0.06 per gallon to $2.97, the largest weekly decrease in prices since mid-June.

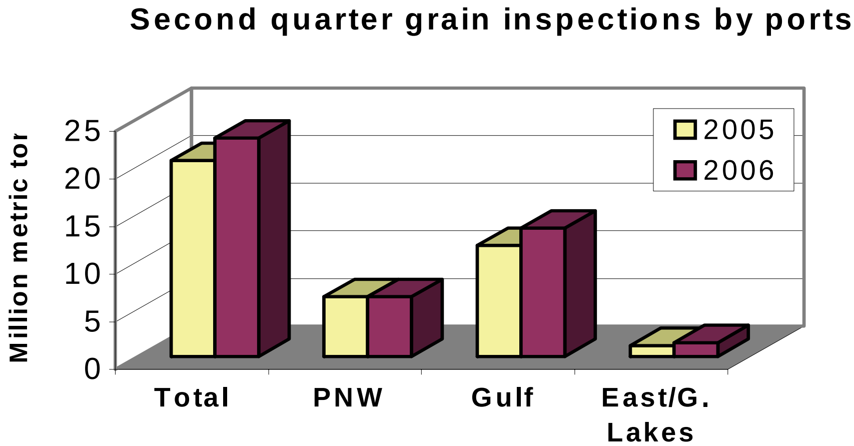
Rail
For the week ending August 26, **rail grain carloads** originating on major U.S. railroads totaled 22,797 – down 2.4 percent from last week but 2.6 percent above the same week last year.

Ocean
For the week ending August 31, 45 U.S. Gulf **grain vessels** were loaded in the previous 7 days and 57 vessels were due in within the next 10 days.

Feature Article/Calendar

Second Quarter Total Grain Inspections Up. Second quarter inspections of grain (wheat, corn, soybeans) for export from all U.S. ports increased 12 percent from last year, to 22.95 million metric tons (mt) (see figure), according to the Grain Inspection, Packers and Stockyards Administration (GIPSA). This is still 14 percent below the first quarter of 2006, but 16 percent above the 5-year average. The increase was due to increased demand for corn and reduced production in other major producing areas.

During the second quarter, the total amount of grain inspected at U.S. Gulf ports increased 15 percent from last year, to 13.47 million mt. Second quarter total grain inspections in the Pacific Northwest (PNW) remained unchanged from last year at 6.28 million mt, but were 33 percent above the 5-year average. Total second quarter grain inspections in the East/Great Lakes export regions increased 28 percent from last year, due to increased demand for corn and soybeans.



Source: USDA/GIPSA

According to GIPSA, second quarter inspections of soybeans for export decreased 9 percent from last year. Due to slower demand from Asia and lower stocks, second quarter soybean inspections from the PNW decreased 41 percent from last year, while inspections from the Gulf decreased only 4 percent. Total PNW soybean inspections, however, were 12 percent above the 5-year average. As export competition continued to weaken in Argentina and China, total second quarter corn inspections increased 29 percent from last year and 33 percent from the 5-year average. Second quarter corn inspections from the PNW increased slightly from last year. Corn inspections in the East/Great Lakes region, however, increased 219 percent compared to last year, due to increasing demand from North Africa. Total inspections of wheat during the second quarter dropped 8 percent from last year. According to USDA Economic Research Service, the large decrease in second quarter wheat inspections could be due to increasing global competition. However, second quarter inspections of wheat from the PNW increased 18 percent from last year, due to increased demand from Taiwan and Japan.

According to USDA Foreign Agricultural Service, total year-to-date (YTD) (Jan.-June) grain exports to Japan decreased 6 percent from last year, but exports to Mexico increased 3 percent. Total YTD grain exports to China rose 3 percent, due mainly to increased demand for soybeans. USDA is expecting steady demand for U.S. corn and soybeans this year but slower demand for wheat. *Johnny.Hill@usda.gov*

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators[1]

	Truck	Rail[2]	Barge	Ocean	
Week ending				Gulf	Pacific
09/06/06	199	579	280	220	251
08/30/06	203	541	316	210	238

[1]Indicator: Base year 2000 = 100; Weekly updates include truck = diesel ($/gallon); rail = nearby secondary rail market ($/car); barge = spot Illinois River basis (index = percent of tariff rate); and ocean = routes to Japan ($/metric ton)

[2]The rail indicator is not an index. It is the difference between the nearby secondary rail market bid for this week and the average bid for year 2000 (+) 100.

Source: Transportation & Marketing Programs/AMS/USDA

Table 2

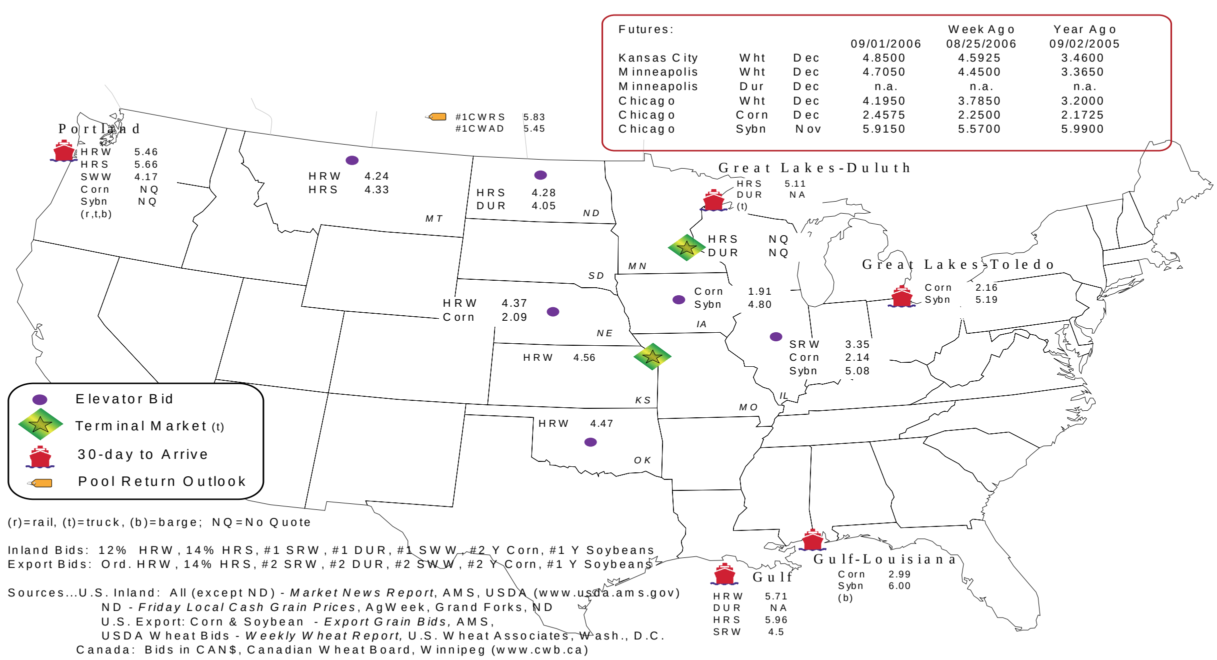
Market Update: U.S. Origins to Export Position Price Spreads ($/bushel)

Commodity	Origin--Destination	9/1/2006	8/25/2006
Corn	IL--Gulf	-0.85	-0.86
Corn	NE--Gulf	-0.90	-0.93
Soybean	IA--Gulf	-1.20	-1.16
HRW	KS--Gulf	-1.15	-1.17
HRS	ND--Portland	-1.38	-1.36

Note: nq = no quote
Source: Transportation & Marketing Programs/AMS/USDA

The **grain bid summary** illustrates the market relationships for commodities. Positive and negative adjustments in differential between terminal and futures markets, and the relationship to inland market points, are indicators of changes in fundamental market supply and demand. The map may be used to monitor market and time differentials.

Figure 1
Grain bid summary



Rail Transportation

Table 3

Rail Deliveries to Port (carloads)[1]

Week ending	Mississippi Gulf [2]	Texas Gulf	Cross-Border Mexico	Pacific Northwest	Atlantic & East Gulf	Total
8/30/2006[p]	2,180	1,273	747	4,281	854	9,335
8/23/2006[r]	2,372	2,140	995	3,685	349	9,541
2006 YTD	55,963	69,827	29,510	142,068	15,912	313,280
2005 YTD	29,150	61,972	41,420	146,162	8,030	286,734
2006 YTD as % of 2005 YTD	192	113	71	97	198	109
Last 4 weeks as % of 2005 [3]	511	76	105	104	1,572	126
Last 4 weeks as % of 4-year avg.[3]	n/a	90	96	151	534	n/a
Total 2005	50,696	99,079	61,151	224,079	15,690	450,695
Total 2004	41,957	93,500	58,843	208,334	10,957	407,143

[1] Data is incomplete as it is voluntarily provided; [2] Mississippi Gulf data back to January, 2004 from several new sources has been added resulting in large increases in the numbers reported; [3] Compared with same 4-weeks in 2005 and prior 4-year average; [4] Includes 53rd week.

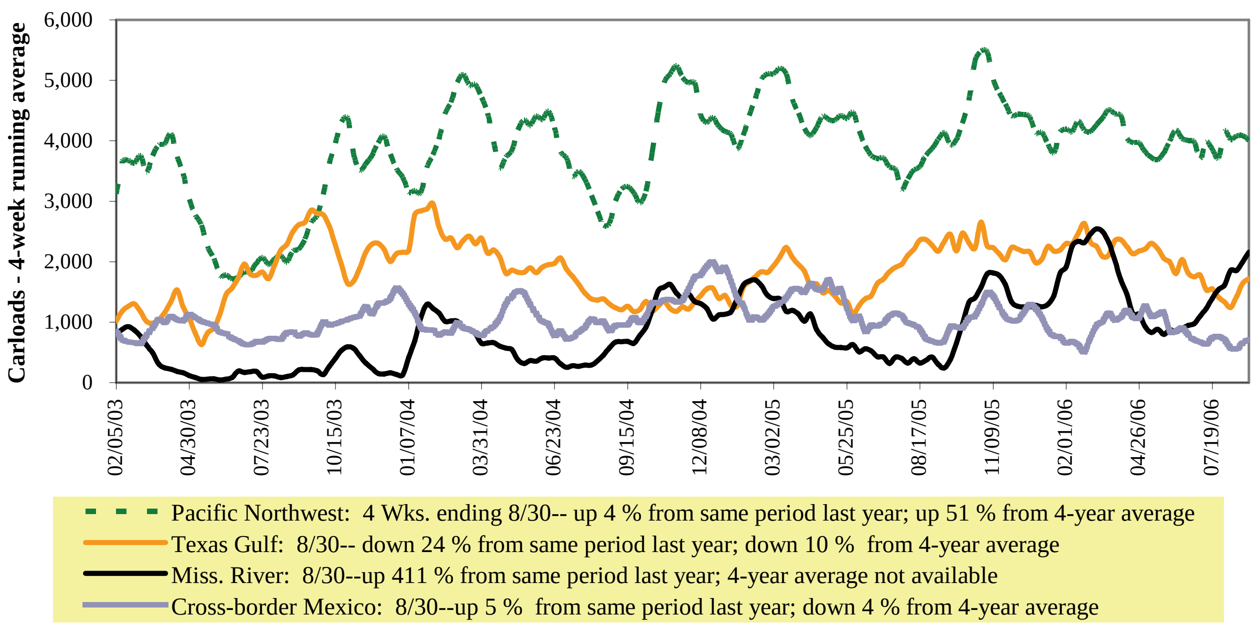
YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 33 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Figure 2

Rail Deliveries to Port



Source: Transportation & Marketing Programs/AMS/USDA

Table 4

Class I Rail Carrier Grain Car Bulletin (grain carloads originated)

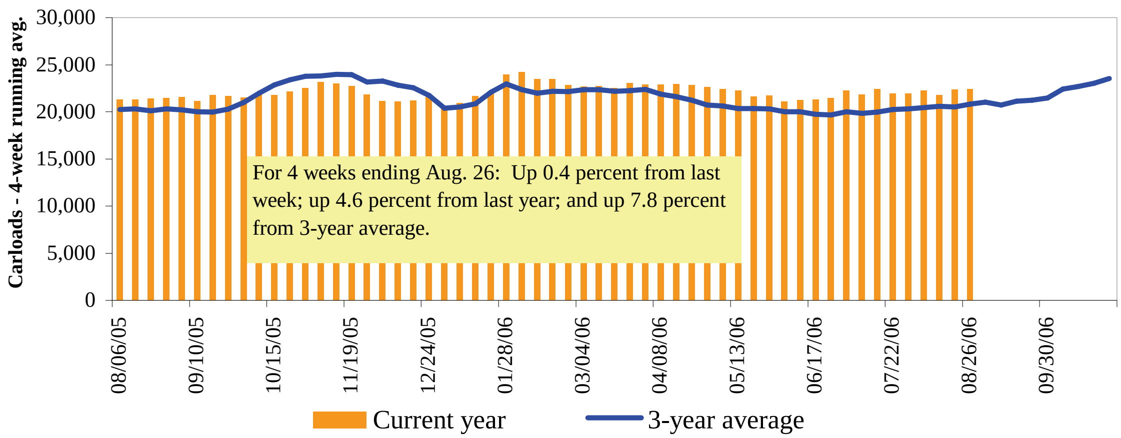
Week ending	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
08/26/06	3,028	3,396	10,699	528	5,146	22,797	5,079	4,004
This week last year	2,579	3,216	9,311	609	6,501	22,216	4,244	4,243
2006 YTD	105,179	110,396	331,307	19,216	199,206	765,304	162,105	148,026
2005 YTD	99,264	110,441	307,193	19,890	204,094	740,882	140,145	136,735
2006 YTD as % of 2005 YTD	106	100	108	97	98	103	116	108
Last 4 weeks as % of 2005[1]	122	114	113	87	84	105	122	99
Last 4 weeks as % of 3-yr avg.[1]	129	109	119	92	86	108	120	99
Total 2005	152,060	167,465	476,033	27,459	307,170	1,130,187	225,817	215,145

[1]As a percent of the same period in 2005 and the prior 3-year average. YTD = year-to-date.

Source: Association of American Railroads (www.aar.org)

Figure 3

Total Weekly U.S. Class I Railroad Grain Car Loadings



Source: Association of American Railroads

Table 5

Rail Car Auction Offerings[1] ($/car)[2]

Week ending 9/2/2006	Delivery period							
	Sep-06	Sep-05	Oct-06	Oct-05	Nov-06	Nov-05	Dec-06	Dec-05
BNSF[3]								
COT grain units	no offer	n/a	no offer	no offer	no offer	438	no offer	379
COT grain single-car[5]	no offer	n/a	no offer	n/a	no offer	n/a	0..107	n/a
UP[4]								
GCAS/Region 1	no offer	n/a	no offer	no offer	21	378	no offer	no offer
GCAS/Region 2	no offer	n/a	no offer	no offer	214	430	no offer	no offer

[1]Auction offerings are for single-car and unit train shipments only.

[2]Average premium/discount to tariff, last auction

[3]BNSF - COT = Certificate of Transportation; N. grain and S. grain bids were combined effective the week ending 6/24/06.

[4]UP - GCAS = Grain Car Allocation System

Region 1 includes: AR, IL, LA, MO, NM, OK, TX, WI, and Duluth, MN.

Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

[5]Range is shown because average is not available. Not available = n/a.

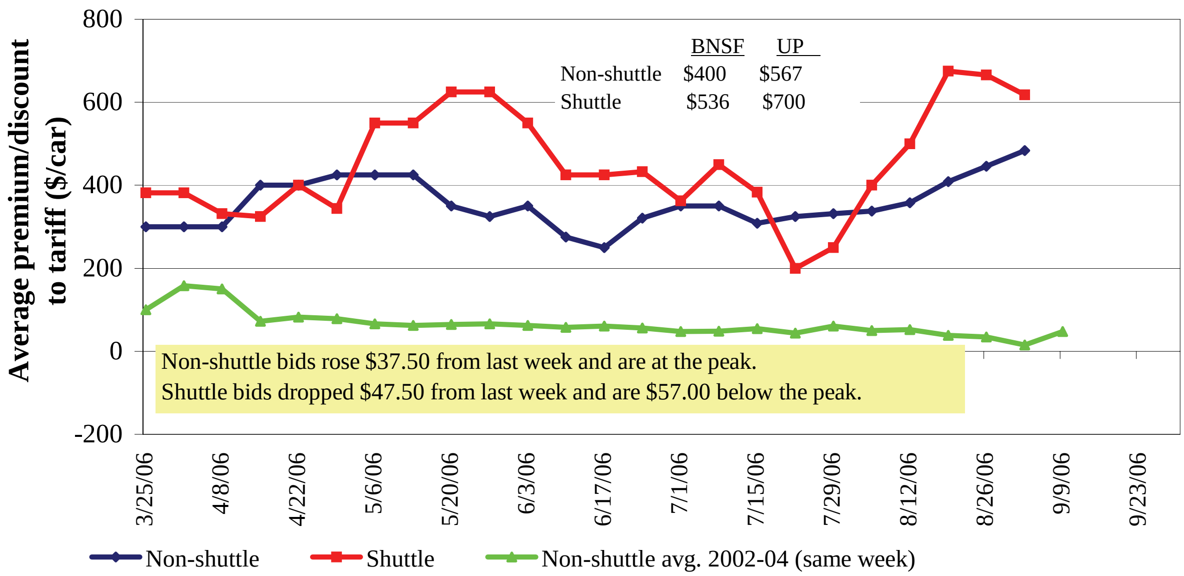
Source: Transportation & Marketing Programs/AMS/USDA. n/a = not applicable

Rail service may be ordered directly from the railroad via **auction** for guaranteed service, or via tariff for nonguaranteed service, or through the secondary railcar market.

The **secondary rail market** information reflects trade values for service that was originally purchased from the railroad carrier as some form of guaranteed freight. The **auction and secondary rail** values are indicators of rail service quality and demand/supply.

Figure 4

Bids/Offers for Railcars to be Delivered in October 2006, Secondary Market



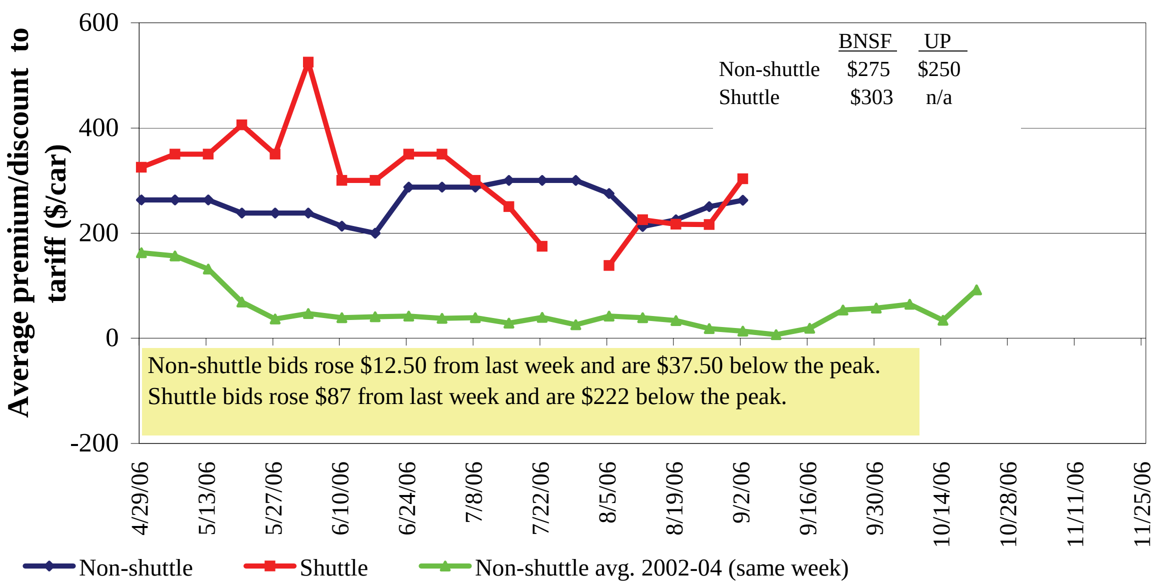
Non-shuttle bids include unit-train and single-car bids.

Excluded 2005 from the 3-year non-shuttle average due to abnormally high rates following Hurricanes Katrina and Rita.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

Bids/Offers for Railcars to be Delivered in November 2006, Secondary Market



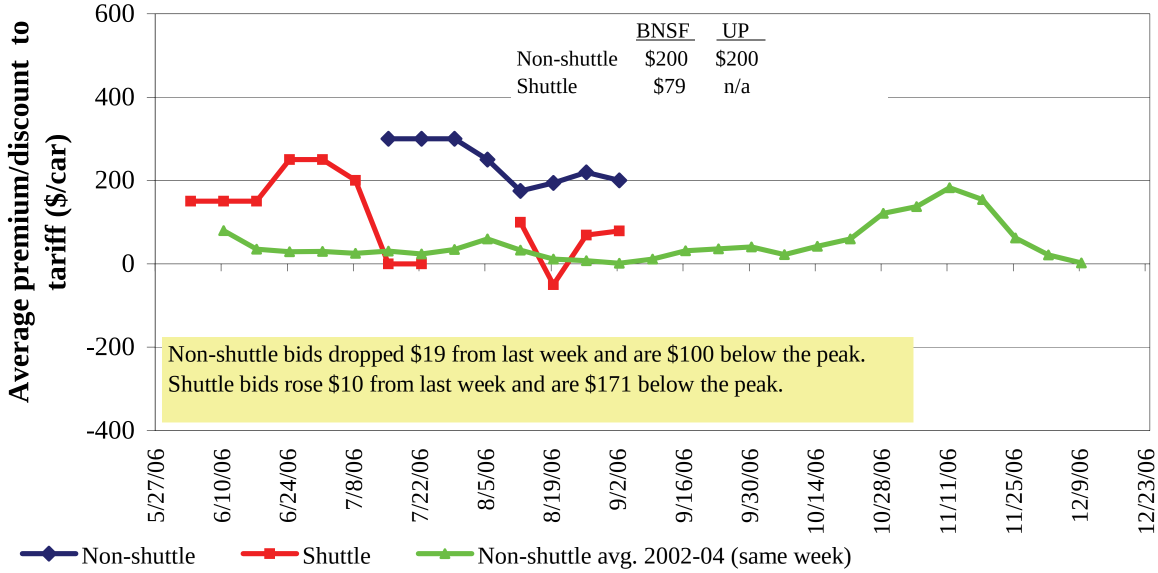
Non-shuttle bids include unit-train and single-car bids.

Excluded 2005 from the 3-year non-shuttle average due to abnormally high rates following Hurricanes Katrina and Rita.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in December 2006, Secondary Market



Non-shuttle bids include unit-train and single-car bids.

Excluded 2005 from the 3-year non-shuttle average due to abnormally high rates following Hurricanes Katrina and Rita.

Source: Transportation & Marketing Programs/AMS/USDA

Table 6

Weekly Secondary Rail Car Market ($/car)[1]

Week ending	Delivery period					
9/2/2006	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07
Non-shuttle						
BNSF-GF	400	275	200	n/a	n/a	n/a
Change from last week	50	75	62	n/a	n/a	n/a
Change from same week 2005	-200	-194	-250	n/a	n/a	n/a
UP-Pool	567	250	200	n/a	n/a	n/a
Change from last week	25	-50	-100	n/a	n/a	n/a
Change from same week 2005	-33	-242	-233	n/a	n/a	n/a
Shuttle[2]						
BNSF-GF	536	303	79	-100	n/a	n/a
Change from last week	-45	87	10	n/a	n/a	n/a
Change from same week 2005	n/a	n/a	n/a	n/a	n/a	n/a
UP-Pool	700	n/a	n/a	n/a	0	-13
Change from last week	-50	n/a	n/a	n/a	n/a	n/a
Change from same week 2005	n/a	n/a	n/a	n/a	n/a	n/a

[1]Average premium/discount to tariff, $/car-last week

[2]Shuttle bids are a new data series; prior to this we provided only non-shuttle rates.

Note: Bids listed are market INDICATORS only & are NOT guaranteed prices,
Missing value = n/a; GF = guaranteed freight; Pool = guaranteed pool

Sources: Transportation and Marketing Programs/AMS/USDA

Data from Atwood/ConAgra, Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.

Table 7

Tariff Rail Rates for Unit and Shuttle Train Shipments[1]

Effective date: 8/7/2006	Origin region	Destination region	Rate/car	As % of same month last year	Rate per metric ton	Rate per bushel[2]
Unit train[1]						
Wheat	Chicago, IL	Albany, NY	$1,861	100	$20.51	$0.56
	Kansas City, MO	Galveston, TX	$2,120	105	$23.37	$0.64
	South Central, KS	Galveston, TX	$2,550	104	$28.11	$0.77
	Minneapolis, MN	Houston, TX	$3,020	125	$33.29	$0.91
	St. Louis, MO	Houston, TX	$2,460	104	$27.12	$0.74
	South Central, ND	Houston, TX	$4,349	116	$47.94	$1.30
	Minneapolis, MN	Portland, OR	$3,840	91	$42.33	$1.15
	South Central, ND	Portland, OR	$3,840	91	$42.33	$1.15
	Northwest, KS	Portland, OR	$4,490	102	$49.49	$1.35
	Chicago, IL	Richmond, VA	$2,161	108	$23.82	$0.65
Corn	Chicago, IL	Baton Rouge, LA	$2,610	104	$28.77	$0.73
	Council Bluffs, IA	Baton Rouge, LA	$2,470	104	$27.23	$0.69
	Kansas City, MO	Dalhart, TX	$2,365	120	$26.07	$0.66
	Minneapolis, MN	Portland, OR	$3,200	89	$35.27	$0.90
	Evansville, IN	Raleigh, NC	$1,961	109	$21.62	$0.55
	Columbus, OH	Raleigh, NC	$1,850	109	$20.39	$0.52
	Council Bluffs, IA	Stockton, CA	$3,606	100	$39.75	$1.01
Soybeans	Chicago, IL	Baton Rouge, LA	$2,655	108	$29.27	$0.80
	Council Bluffs, IA	Baton Rouge, LA	$2,515	109	$27.72	$0.75
	Minneapolis, MN	Portland, OR	$3,610	100	$39.79	$1.08
	Evansville, IN	Raleigh, NC	$1,961	109	$21.62	$0.59
	Chicago, IL	Raleigh, NC	$2,561	107	$28.23	$0.77
Shuttle train[1]						
Wheat	St. Louis, MO	Houston, TX	$1,920	105	$21.16	$0.58
	Minneapolis, MN	Portland, OR	$3,640	93	$40.12	$1.09
Corn	Fremont, NE	Houston, TX	$2,196	82	$24.21	$0.61
	Minneapolis, MN	Portland, OR	$3,096	90	$34.13	$0.87
Soybeans	Council Bluffs, IA	Houston, TX	$2,412	87	$26.59	$0.72
	Minneapolis, MN	Portland, OR	$3,170	93	$34.94	$0.95

[1]A unit train refers to shipments of at least 52 cars. Shuttle train rates are available for qualified shipments of more than 100 cars that meet railroad efficiency requirements.

[2]Approximate load per car = 100 short tons: corn 56 lbs./bu., wheat & soybeans 60 lbs./bu.

Sources: www.bnsf.com, www.cpr.ca, www.csx.com, www.uprr.com

Table 8

Tariff Rail Rates for U.S. Bulk Grain Shipments to U.S.-Mexico Border Crossings

Effective date: 08/07/06					**As % of**		
Commodity	**Origin state**	**Border crossing region**	**Train size**[1]	**Tariff rate**[2]	**same month last year**	**Rate per metric ton**	**Rate per bushel**[3]
Wheat	KS	Brownsville, TX	Shuttle	$2,959	104	$30.23	$0.82
	ND	Eagle Pass, TX	Unit	$4,474	83	$45.71	$1.24
	OK	El Paso, TX	Shuttle	$2,235	99	$22.84	$0.62
	OK	El Paso, TX	Unit	$2,540	104	$25.95	$0.71
	AR	Laredo, TX	Unit	$2,600	109	$26.57	$0.72
	IL	Laredo, TX	Unit	$3,405	107	$34.79	$0.95
	MT	Laredo, TX	Shuttle	$3,980	93	$40.67	$1.11
	TX	Laredo, TX	Shuttle	$2,274	105	$23.23	$0.63
	MO	Laredo, TX	Shuttle	$2,840	104	$29.02	$0.79
	WI	Laredo, TX	Unit	$3,623	106	$37.02	$1.01
Corn	NE	Brownsville, TX	Shuttle	$3,543	114	$36.20	$0.92
	NE	Brownsville, TX	Unit	$3,623\[4]	99	$37.02	$0.94
	IA	Eagle Pass, TX	Unit	$3,773	113	$38.55	$0.98
	MO	Eagle Pass, TX	Shuttle	$3,364\[4]	111	$34.37	$0.87
	NE	Eagle Pass, TX	Shuttle	$3,764\[4]	109	$38.46	$0.98
	IA	Laredo, TX	Shuttle	$3,696	113	$37.76	$0.96
Soybean	IA	Brownsville, TX	Shuttle	$3,318	115	$33.90	$0.92
	MN	Brownsville, TX	Shuttle	$3,614	114	$36.93	$1.00
	NE	Brownsville, TX	Shuttle	$3,127	116	$31.95	$0.87
	NE	Eagle Pass, TX	Shuttle	$3,203	116	$32.73	$0.89
	IA	Laredo, TX	Unit	$3,357	115	$34.30	$0.93

[1]A unit train refers to shipments of at least 52 cars. Shuttle train are available for qualified shipments of more than 100 cars that meet railroad efficiency requirements.

[2]Rates are based upon published tariff rates for high-capacity rail cars.

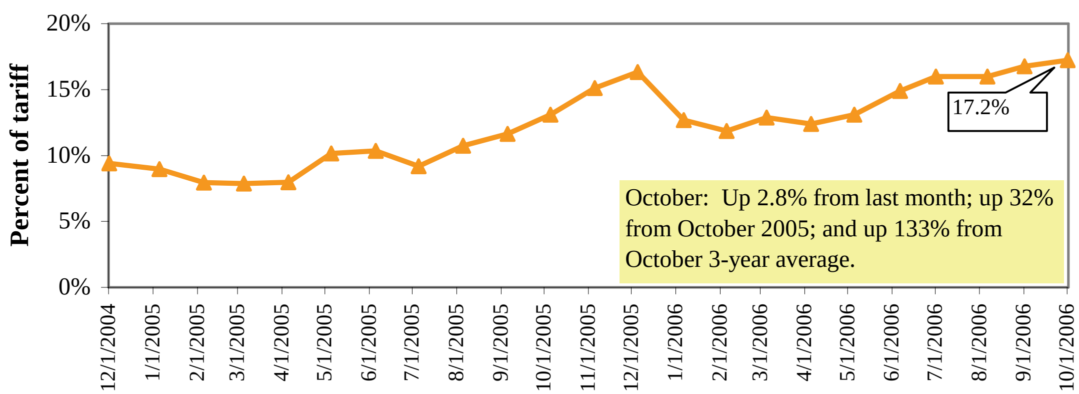
[3]Approximate load per car = 97.87 metric tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

[4]High-capacity rate not available, rate estimated using published low-capacity tariff rate x 1.08

Sources: www.bnsf.com, www.uprr.com

Figure 7.

Railroad Fuel Surcharges, North American Weighted Average[1]



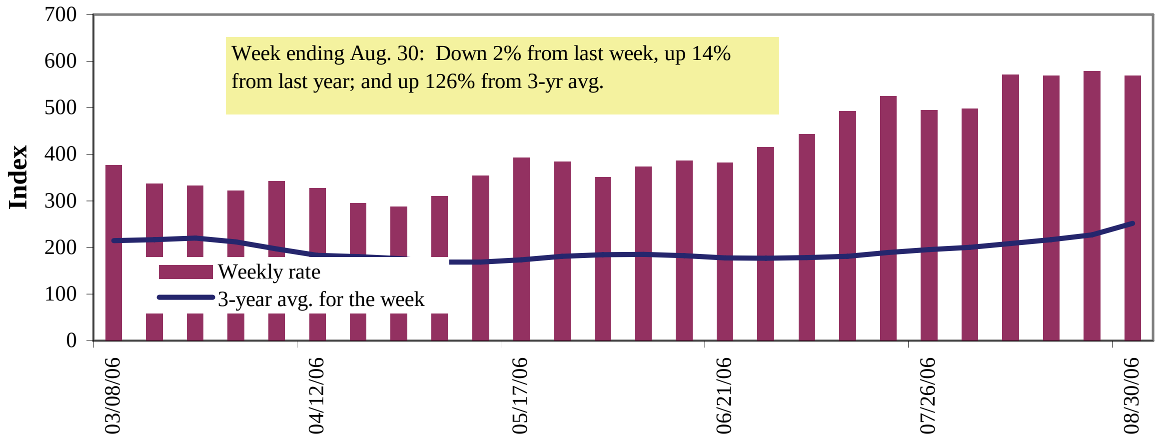
[1] Weighted by each Class I railroad's proportion of grain traffic for the prior year.

Sources: www.bnsf.com, www.cn.ca, www8.cpr.ca, www.csx.com, www.kcsi.com, www.nscorp.com, www.uprr.com

Barge Transportation

Figure 8

Illinois River Barge Rate Index - Quotes[1,2]



[1] Index = percent of tariff rate; [2]4-week moving average for the 3-year average

Source: Transportation & Marketing Programs/AMS/USDA

Table 9

Weekly Barge Rate Quotes: Southbound Barge Freight

		Twin Cities	Mid-Mississippi	Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Index[1]	8/30/2006	587	576	569	539	554	555	504
	8/23/2006	603	558	579	572	567	568	542
$/ton	8/30/2006	36.34	30.64	26.40	21.51	25.98	22.42	15.83
	8/23/2006	37.33	29.69	26.87	22.82	26.59	22.95	17.02
Current week % change from the same week:								
	Last year	15	11	14	-10	8	8	-15
	3-year avg. [2]	109	121	126	110	123	123	103
Index	September	626	628	627	611	634	634	608
	November	592	548	538	510	533	533	491

[1]Index = percent of tariff, based on 1976 tariff benchmark rate; [2]4-week moving average.

Source: Transportation & Marketing Programs/AMS/USDA

Calculating barge rate per ton:
(Index * 1976 tariff benchmark rate per ton)/100

Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map (see figure 9).

Note: The Illinois barge rate is for Beardstown, IL, La Grange Lock & Dam (L&D 8). The index, along with rate quotes and futures market bids are indicators of grain transport supply and demand.

Figure 9

Benchmark tariff rates

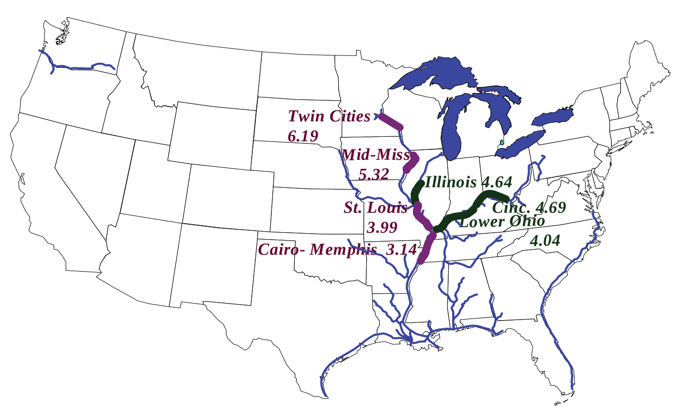
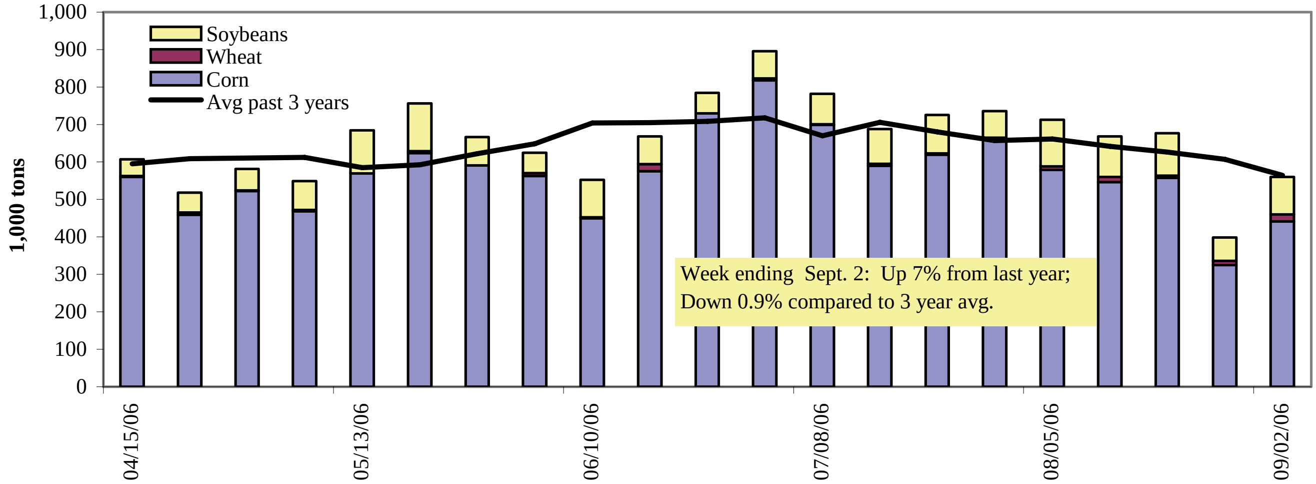


Figure 10

Barge Movements on the Mississippi River[1] (Locks 27 - Granite City, IL)



[1] The 3-year average is a 4-week moving average.

Source: Transportation & Marketing Programs/AMS/USDA

Table 10

Barge Grain Movements (1,000 tons)

Week ending 9/2/2006	Corn	Wheat	Soybean	Other	Total
Mississippi River					
Rock Island, IL (L15)	170	6	39	0	216
Winfield, MO (L25)	281	5	86	0	372
Alton, IL (L26)	451	8	109	2	569
Granite City, IL (L27)	441	19	100	2	561
Illinois River (L8)	121	3	14	0	139
Ohio River (L52)	24	12	9	3	48
Arkansas River (L1)	0	22	3	0	25
Weekly total - 2006	465	54	112	5	635
Weekly total - 2005	469	40	93	12	614
2006 YTD[1]	17,982	910	4,191	476	23,559
2005 YTD	16,110	1,179	4,549	470	22,308
2006 as % of 2005 YTD	112	77	92	101	106
Last 4 weeks as % of 2005[2]	87	101	137	96	94
Total 2005	23,761	1,620	7,276	731	33,388

[1] Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

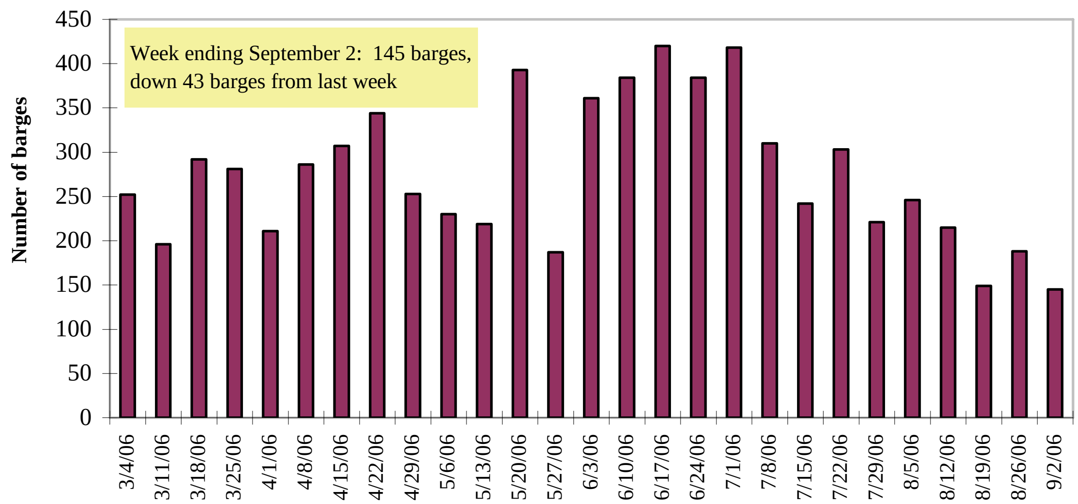
[2] As a percent of same period in 2005.

Note: Total may not add exactly, due to rounding

Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrimi/omni/webrpts/default.asp)

Figure 11

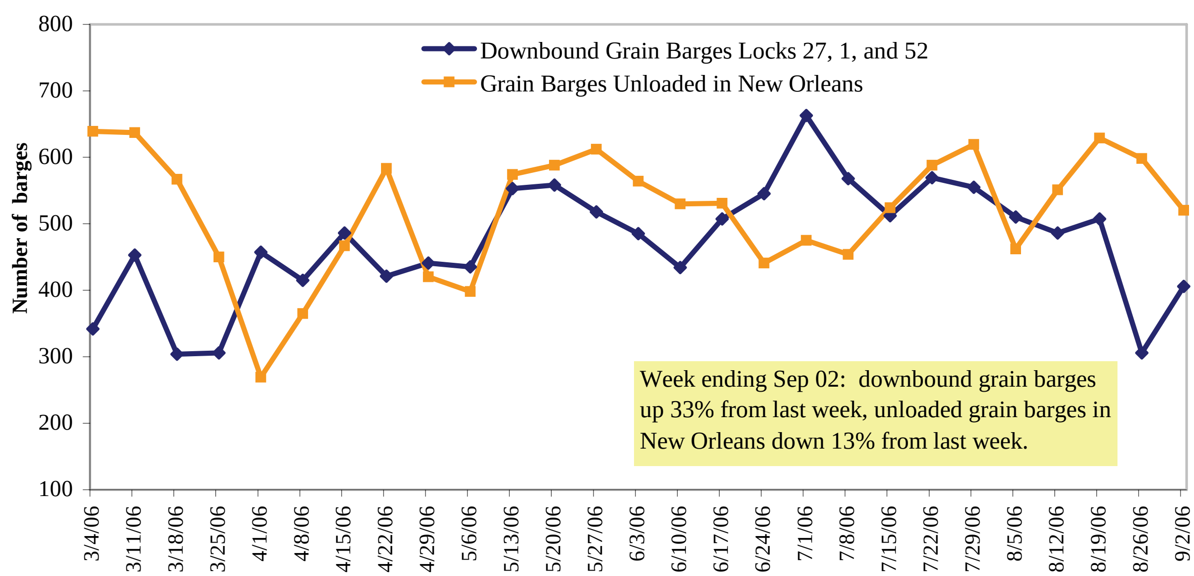
Upbound Empty Barges Transiting Mississippi River Lock 27



Source: Army Corps of Engineers

Figure 12

Grain Barges for Export in New Orleans Region



Source: Army Corps of Engineers and GIPSA

Truck Transportation

The **weekly diesel price** provides a proxy for trends in U.S. truck rates. Diesel fuel is a significant expense for truck grain movements, accounting for 37 percent of the estimated variable cost.

Table 11

Retail on-Highway Diesel Prices[1], Week Ending 9/04/06 (US$/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	2.911	-0.044	0.011
	New England	3.009	-0.026	0.032
	Central Atlantic	3.032	-0.042	0.039
	Lower Atlantic	2.850	-0.047	-0.003
II	Midwest[1]	2.937	-0.089	0.094
III	Gulf Coast[2]	2.872	-0.051	0.039
IV	Rocky Mountain	3.318	-0.028	0.342
V	West Coast	3.199	-0.030	0.050
	California	3.175	-0.025	-0.075
Total	U.S.	2.967	-0.060	0.069

[1]Diesel fuel prices include all taxes.

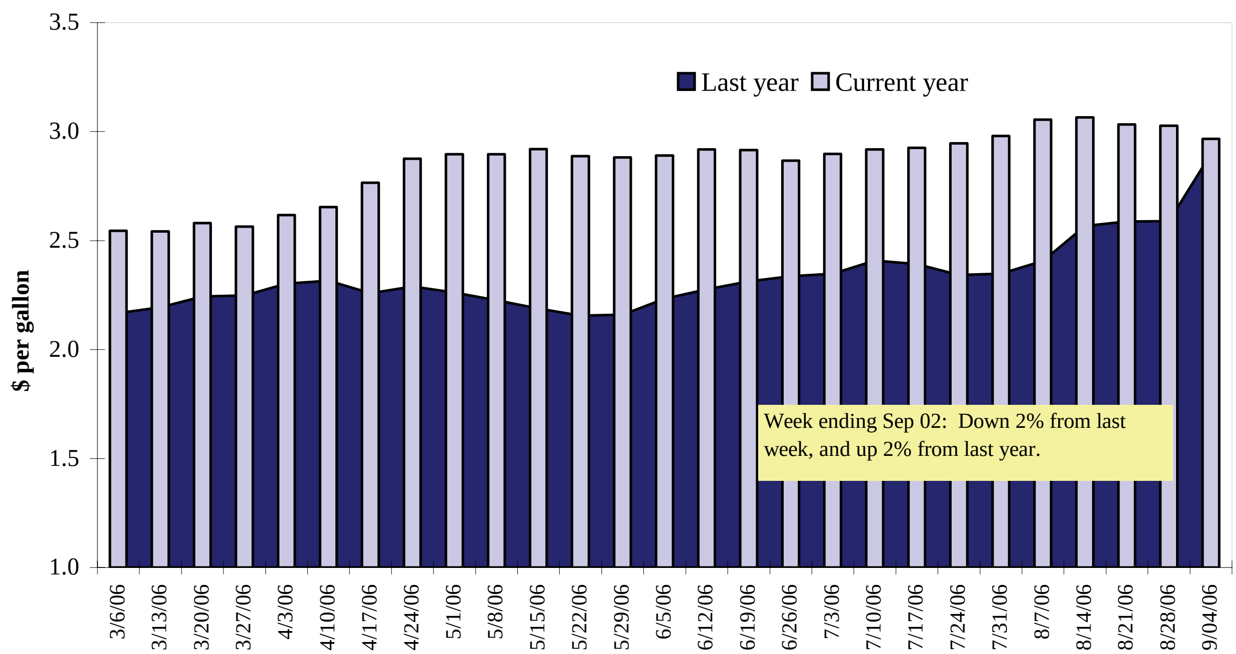
[2]Same as North Central

[3]Same as South Central

Source: Energy Information Administration/U.S. Department of Energy (www.eia.doe.gov)

Figure 13

Weekly Diesel Fuel Prices, U.S. Average



Source: Retail On-Highway Diesel Prices, Energy Information Administration, Dept. of Energy

Grain Exports

Table 12

U.S. Export Balances and Cumulative Exports (1,000 metric tons)

	Wheat						Corn	Soybeans	Total
Week ending[1]	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances									
8/24/2006	816	580	1,155	661	252	3,464	3,470	1,103	8,037
This week year ago	2,338	385	1,182	663	77	4,645	2,780	699	8,124
Cumulative exports-crop year [2]									
2005/06 YTD	1,350	815	1,535	1,138	194	5,033	53,120	25,203	83,356
2004/05 YTD	2,428	569	1,809	757	228	5,791	44,941	29,878	80,610
YTD 2005/06 as % of 2004/05	56	143	85	150	85	87	118	84	103
Last 4 wks as % of same period 2004/05	36	125	96	110	349	74	198	213	129
2004/05 Total	9,407	3,217	8,083	4,773	686	26,117	44,953	29,878	100,948
2003/04 Total	12,697	3,785	6,928	4,895	1,053	29,359	47,704	24,108	101,171

[1] Current unshipped export sales to date

[2] Shipped export sales to date, new crop year now in efect for wheat

Note: YTD = year-to-date. Crop year: wheat = 6/01-5/31, corn & soybeans = 9/01-8/31

Source: Foreign Agricultural Service/USDA (www.fas.usda.gov)

Table 13

Top 5 Importers[1] of U.S. Corn

Week ending 08/24/06	**Total Commitments[2]**			**% change**	**Exports[3]**
	2006/07	**2005/06**	**2004/05**	**current CY**	
Crop Year (CY)	**Next CY**	**Current CY**	**Last CY**	**from last CY**	**2004/05**
		- 1,000 mt -			**- 1,000 mt -**
Japan	3,377	16,848	16,409	3	16,429
Mexico	1415	7,006	6,292	11	6,278
Taiwan	471	5,503	4,666	18	4,690
Egypt	473	4,318	4,563	(5)	4,563
Korea	551	5,562	2,210	152	2,268
Top 5 importers	**6,287**	**39,237**	**34,140**	**15**	**32,143**
Total US corn export sales	**8,566**	**56,590**	**47,721**	**19**	
Top 5 importers' share of U.S. corn export sales	73%	69%	72%		
USDA forecast, Aug. 2006	**54,610**	**53,340**	**46,180**	**16**	
Corn Use for Ethanol USDA forecast, Aug. 2006	**54,610**	**40,640**	**33,606**	**21**	

(n) indicates negative number.

[1]Based on FAS 2004/05 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Sep 1 - Aug 31.

[2]Cumulative Exports (shipped) + Outstanding Sales (unshipped); FAS Weekly Export Sales Report.

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 14

Top 5 Importers[1] of U.S. Soybeans

Week ending 08/24/06	Total Commitments[2]			% change	Exports[3]
	2006/07	2005/06	2004/05	current CY	
Crop Year (CY)	Next CY	Current CY	Last CY	from last CY	2004/05
		- 1,000 mt -			- 1,000 mt -
China	2,480	9,767	11,851	(18)	11,850
Mexico	171	3,735	3,573	5	3,579
Japan	534	3,230	3,284	(2)	3,289
Taiwan	189	1,984	1,583	25	1,585
Indonesia	25	1,228	1,022	20	1,079
Top 5 importers	**3,399**	**19,944**	**21,313**	(6)	**21,382**
Total US soybean export sales	**5,101**	**26,306**	**30,540**	**(14)**	
Top 5 importers' share of U.S. soybean export sales	67%	76%	70%		
USDA forecast, Aug. 2006	**29,670**	**25,310**	**29,856**	**(15)**	

(n) indicates negative number.

[1]Based on FAS 2004/05 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Sep 1 - Aug 31.

[2]Cumulative Exports (shipped) + Outstanding Sales (unshipped).

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 15

Top 10 Importers[1] of All U.S. Wheat

Week ending 08/24/06	Total Commitments[2]		% change	Exports[3]
	2006/07	2005/06	current CY	
Crop Year (CY)	Current CY	Last CY	from last CY	2005/06
		- 1,000 mt -		- 1,000 mt -
Nigeria	1,024	1,575	(35)	3,098
Japan	1,186	1,134	5	3,061
Mexico	825	1,170	(29)	2,625
Iraq	0	802	(100)	1,237
Philippines	958	623	54	1,878
Egypt	577	528	9	1,952
Korea, South	482	429	12	1,191
Venezuela	284	320	(11)	1,085
Taiwan	338	329	3	953
Italy	334	293	14	748
Top 10 importers	**6,009**	**7,204**	**(17)**	**17,827**
Total US wheat export sales	**8,496**	**9,185**	**(8)**	
Top 10 importers' share of U.S. wheat export sales	71%	78%		
USDA forecast, Aug. 2006	**24,490**	**27,460**	**(11)**	

(n) indicates negative number.

[1]Based on FAS 2005/06 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.

[2]Cumulative Exports (shipped) + Outstanding Sales (unshipped); FAS Weekly Export Sales Report.

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 16

Grain Inspections for Export by U.S. Port Region (1,000 metric tons)

Port regions	Week ending 08/31/06	2006 YTD[1]	2005 YTD[1]	2006 YTD as % of 2005 YTD	Last 4-weeks as % of 2005	Last 4-weeks as % of 3-yr. avg.	Total[1] 2005
Pacific Northwest							
Wheat	180	7,203	6,683	108	97	82	10,801
Corn	176	7,133	6,901	103	99	124	10,130
Soybeans	176	3,222	3,460	93	407	695	6,225
Total	**532**	**17,558**	**17,045**	**103**	**113**	**118**	**27,156**
Mississippi Gulf							
Wheat	117	2,878	3,429	84	174	73	4,643
Corn	716	24,296	18,371	132	155	136	28,202
Soybeans	52	8,661	8,938	97	148	147	14,793
Total	**885**	**35,835**	**30,738**	**117**	**156**	**126**	**47,638**
Texas Gulf							
Wheat	102	3,863	4,487	86	37	37	7,743
Corn	49	1,614	364	444	287	713	812
Soybeans	0	27	6	470	n/a	n/a	36
Total	**151**	**5,504**	**4,857**	**113**	**61**	**65**	**8,591**
Great Lakes							
Wheat	25	799	1,048	76	55	41	2,067
Corn	54	1,121	276	406	540	215	796
Soybeans	0	62	27	227	n/a	245	828
Total	**79**	**1,981**	**1,351**	**147**	**150**	**94**	**3,691**
Atlantic							
Wheat	51	363	169	215	85	256	301
Corn	3	491	62	791	83	210	249
Soybeans	8	325	445	73	97	153	801
Total	**62**	**1,178**	**676**	**174**	**89**	**153**	**1,352**
U.S. total from ports[2]							
Wheat	475	15,105	15,816	96	80	64	25,556
Corn	999	34,654	25,974	133	146	142	40,189
Soybeans	235	12,297	12,877	95	192	199	22,683
Total	**1,709**	**62,056**	**54,667**	**114**	**127**	**115**	**88,428**

[1] Includes weekly revisions

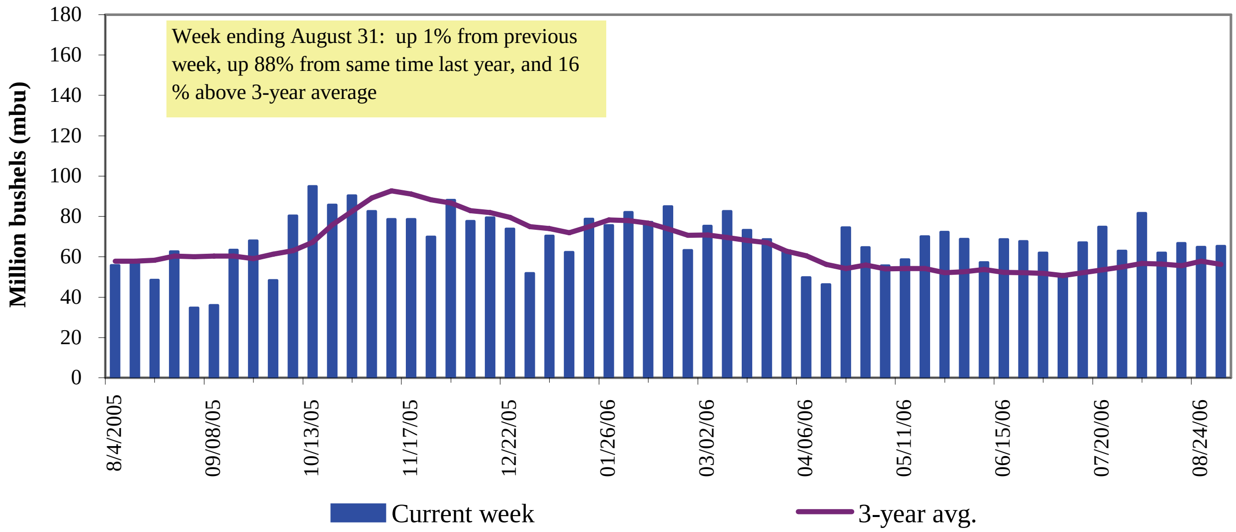
[2] Total includes only port regions shown above

Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov); YTD= year-to-date; n/a = not applicable

The United States exports approximately one-quarter of the grain it produces. On average, it includes nearly 45 percent of U.S.-grown wheat, 35 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Approximately 49 percent of these U.S. export grain shipments departed through the Mississippi Gulf region in 2005.

Figure 14

U.S. grain inspected for export (wheat, corn, and soybeans)

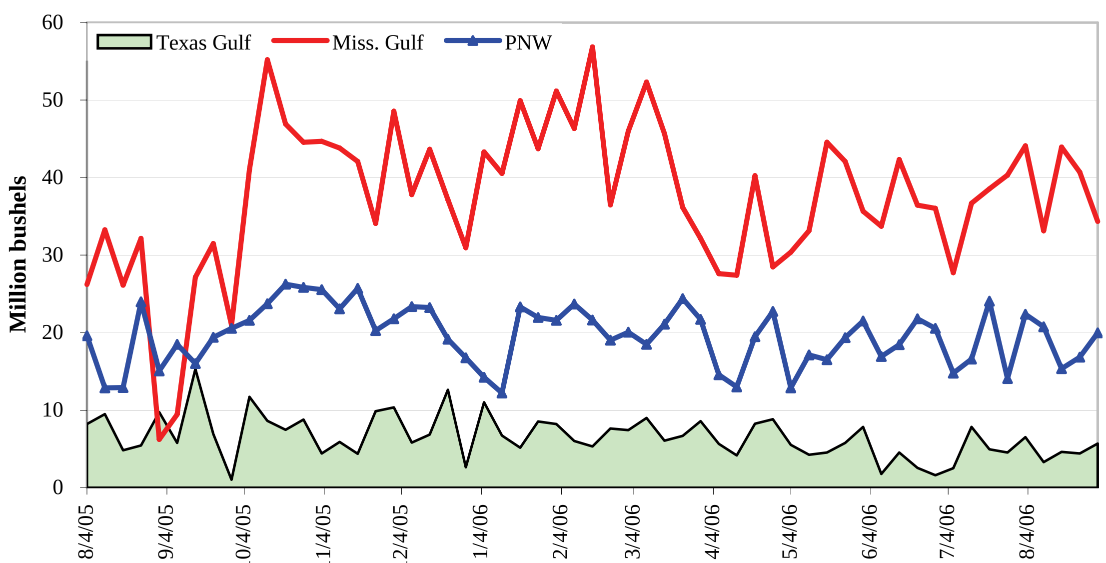


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

Note: 3-year average consists of 4-week running average

Figure 15

Weekly U.S. Grain Inspections: U.S. Gulf and PNW (wheat, corn, and soybeans)



Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

Aug. 31, % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	down 16	up 28	down 11	up 19
Last year (same week)	up 451	down 42	up 151	up 33
3-yr avg. (4-wk run. avg)	up 14	down 18	up 8	up 30

Ocean Transportation

Table 17

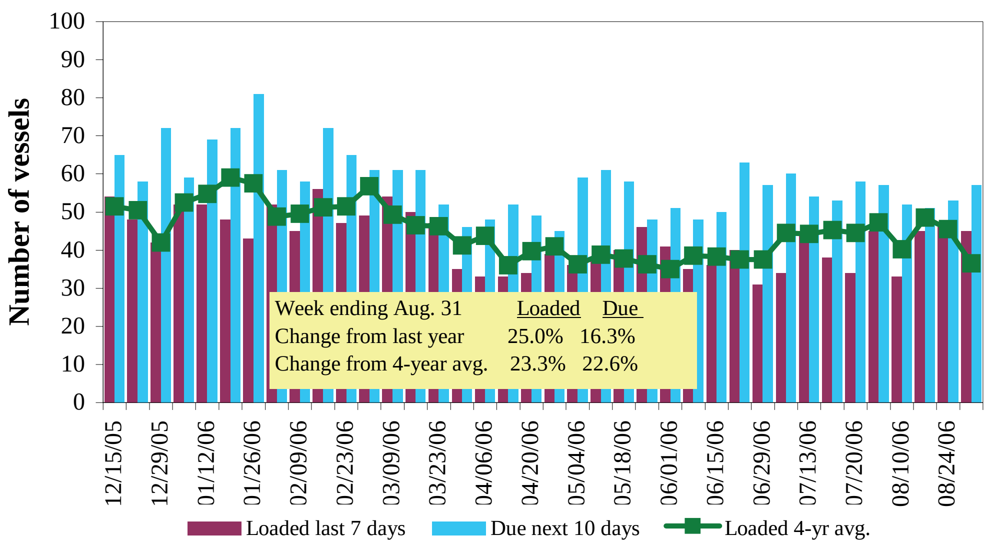
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

Date	Gulf In port	Gulf Loaded 7-days	Gulf Due next 10-days	Pacific Northwest In port	Vancouver B.C. In port
8/31/2006	19	45	57	5	6
8/24/2006	29	46	53	2	5
2005 range	(11..57)	(10..56)	(18..76)	(2..16)	(0..17)
2005 avg.	27	39	53	9	7

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

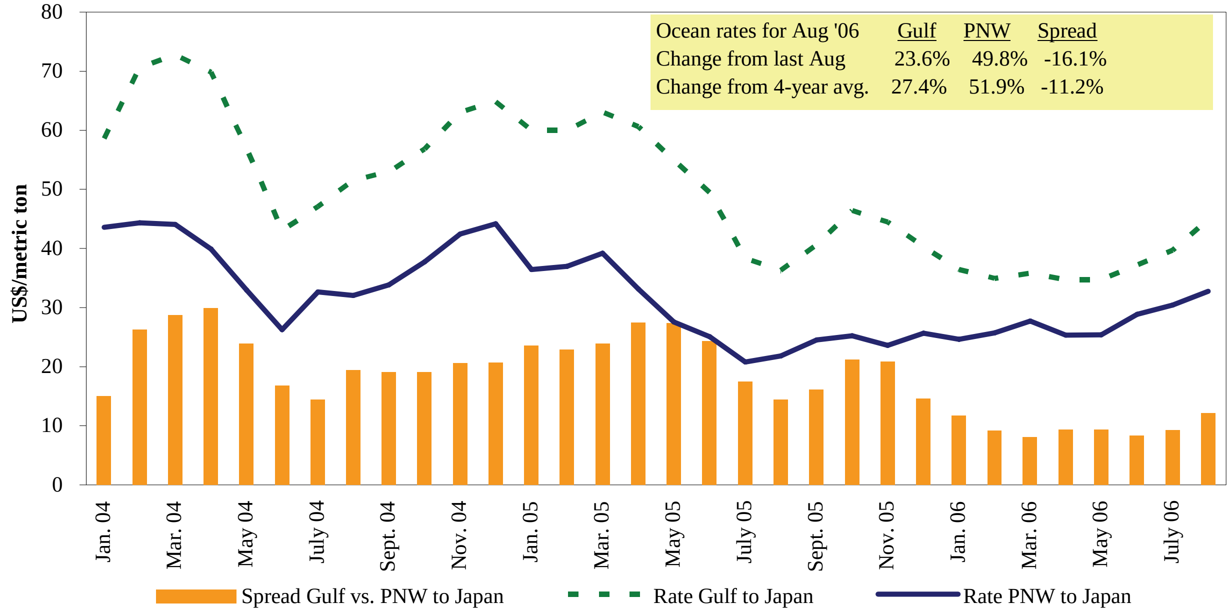
U.S. Gulf[1] Vessel Loading Activity, 2005/06



Source:Transportation & Marketing Programs/AMS/USDA

[1]U.S. Gulf includes Mississippi, Texas, and East Gulf.

Figure 17
Grain Vessel Rates, U.S. to Japan



Source: Baltic Exchange (www.balticexchange.com)

Table 18

Ocean Freight Rates For Selected Shipments, Week Ending 9/2/06

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	South Korea	Hvy Grain	Jul 5/10	55,000	36.00
U.S. Gulf	Honduras	Soybean Meal	Jul 5/15	10,000	83.01
Canada	China	Barley	Sept 15/25	50,000	39.75
Ukraine	Morocco	Hvy Grain	Jun 19/26	20,000	20.00
Gt Lakes/St. Lawrence	Jordan[1]	Wheat	Jun 15/30	22,709	54.50
River Plate	Algeria	Hvy Grain	Jun 20/30	20,000	44.75
River Plate	Algeria	Hvy Grain	July 28/30	25,000	41.50
River Plate	Poland	Hvy Grain	Aug 1/ 10	30,000	44.00

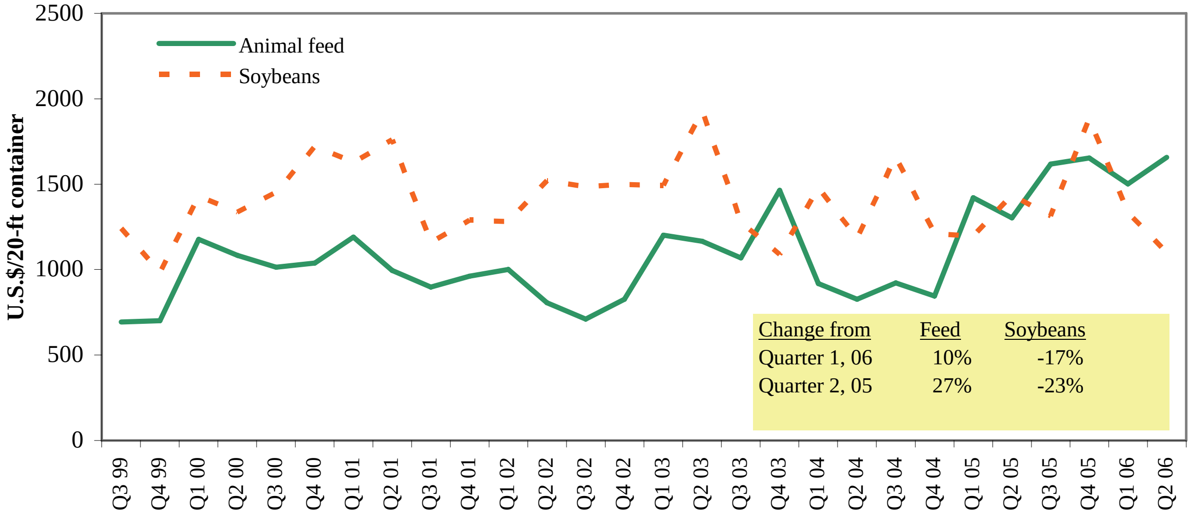
Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option

[1]75 percent of food aid from the United States is required to be shipped on U.S. flag vessels. The vessels are limited in availability resulting in higher rates. In addition, destinations receiving food aid generally lack adequate port unloading facilities, requiring the vessel to remain in port for a longer duration than normal.

Source: Maritime Research Inc. (www.maritime-research.com)

Figure 18

Ocean Rates[1] for Containerized Shipments to Selected Asian Countries



[1]Rates are weighted by shipping line market share and destination country.

Countries include: Animal Feed: Busan-Korea (11%), Kaohsiung-Taiwan (32%), Tokyo-Japan (33%), Hong Kong (15%), Bangkok-Thailand (9%) and soybeans: Busan-Korea (1%), Kaohsiung-Taiwan (83%), Tokyo-Japan (12%), Bangkok-Thailand (3%), Hong Kong (1%)

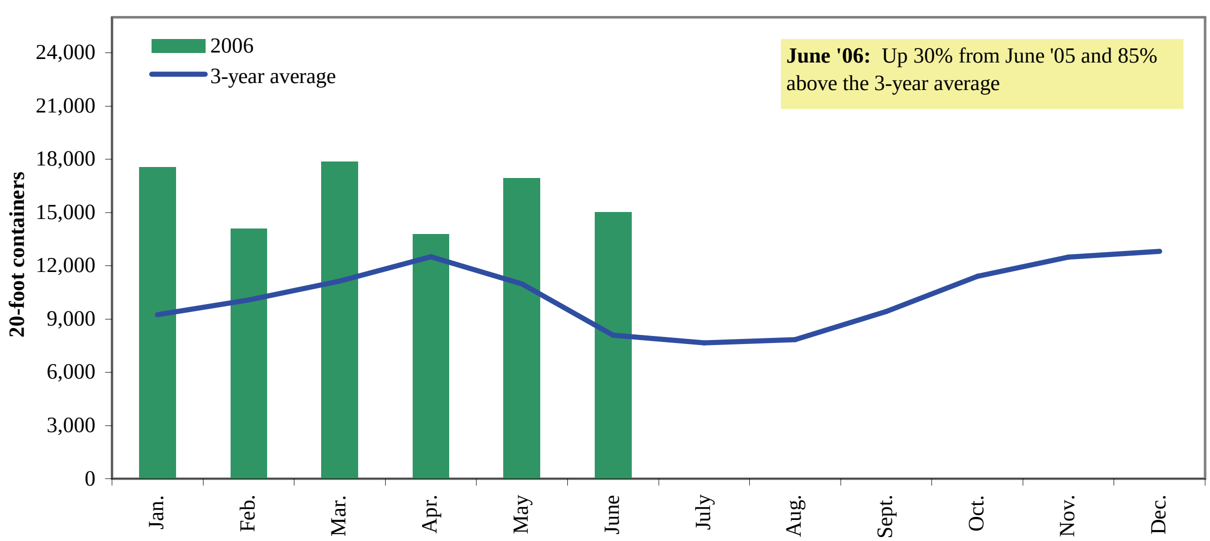
Source: Ocean Rate Bulletin, Quarter 2, 2006, Transportation & Marketing Programs/AMS/USDA

Container ocean freight rates – average rate per twenty-foot equivalent unit (TEU) weighted by shipping line market share and trade route.

During 2005, containers were used to transport 4 percent of total U.S. grain exported, and 5 percent of total U.S. grain exported to Asia.

Figure 19

Monthly Shipments of Containerized Grain to Asia



Source: Port Import Export Reporting Service (PIERS), *Journal of Commerce*

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